

DEMOGRAPHICS

Population

North Dakota (2000 census) 642,200

MSAs

Fargo - Moorhead 174,367

Bismarck - Mandan 97,719

Grand Forks - East Grand Forks 97,476

Employment Profile (2006 Annual Avg.)

Mining 6,793

Utilities 3,416

Construction 20,582

Manufacturing 26,363

Wholesale Trade 19,866

Retail Trade 43,138

Transportation & Warehousing 9,990

Information 7,430

Finance & Insurance 16,352

Real Estate, Rental & Leasing 3,463

Professional & Technical Services 12,935

Management of Companies & Enterprises 4,287

Administrative & Waste Services 13,058

Educational Services (private) 1,727

Health Care & Social Assistance 48,427

Arts, Entertainment, and Recreation 3,706

Accommodation and Food Services 29,858

Other Services, Ex. Public Admin 11,494

Total Nonfarm Private Employment 282,885

SUCCESS STORIES

Microsoft Business Solutions

www.microsoft.com/BusinessSolutions

1,333+ employees and division HQ in Fargo

- North Dakota-grown Great Plains Software acquired for \$1.1 billion in April 2001

ING ~ www.ing.com

750+ employees at Customer Service Operations center in Minot

Amazon.com ~ www.amazon.com

300+ employees at Internet Distribution Center in Grand Forks

Goodrich Corporation ~ www.goodrich.com

Building aerospace cargo systems and replacement military structures in Jamestown

Great River Energy ~ www.greatriverenergy.com

Leader in the energy industry capitalizing on reducing the carbon footprint of business in North Dakota - using coal power plant heat sources to process ethanol and barley

Steffes ~ www.steffes.com

Leading manufacturer of electric thermal storage equipment, offering creative solutions for heating efficiencies using off-peak and renewable energy sources

LM Wind Power ~ www.lmwindpower.com

Manufacturing fiberglass blades for wind turbines in Grand Forks

North Dakota

QUICK FACTS

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North Dakota

DEPARTMENT OF COMMERCE

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STRATEGIC INCENTIVE ADVANTAGES

Property Tax Exemptions

Up to 5-year property tax exemption

- Additional 5 years available for agricultural processors or a project located in property leased from a governmental entity
- In lieu of a property tax exemption, in full or part, a company may negotiate a fixed or graduated rate for a period not to exceed 20 years
- No personal property taxed, including equipment, materials in process, and accounts receivable

Corporate Tax Exemptions

Five-year corporate income tax exemption for new or expanding technology based business

- Wage, salary and research credits available

Sales Tax Exemptions

- Sales and use tax exemptions on manufacturing/ computer/telecommunication equipment, water, electricity, and interstate communications for technology-based business

Financial Incentives

- North Dakota Development Fund - gap financing loan and equity program
- PACE Program - interest buy down program at Bank of North Dakota
- Match Program - some of the lowest interest rates in the nation for "A" rated companies

Job Training Programs

- One-stop job training assistance - both state and federal programs available for businesses
- Workforce 2020 - state-funded program for training new technologies and processes
- New Jobs Training Program - "no cost" program utilizing employee withholding tax

Workers Compensation

- Lowest workers compensation premium rates in the nation

COMPETITIVE BUSINESS COST ADVANTAGES

Power

- Power offered at industrial rates below national average – avg. 6.25 cents/kh – YTD May 2010
- State exports nearly 70% of electricity produced
- Supporting "green" business trend by developing renewable energy sources

Real Estate/Facilities

Effective averages for Fargo, ND, according to NAI Global

- Rent/lease
 - › \$12.00-\$16.50/sf to rent quality office space
 - › \$5.50-\$6.50/sf to rent industrial space
- Development land construction costs
 - › \$9.00-\$15.00/acre to build in commercial building district

Public Policy

- Constitutionally balanced budget
 - › \$1.2 billion surplus
 - › No deficit
- Person-to-person access to public officials
- Only state-owned bank in the nation offers business expansion funds

Taxes

- State Legislature lowered top corporate income tax rate from 10.5% to 6.4%

INFRASTRUCTURE ADVANTAGES

Voice/Data

- 100% fiber optic broadband communication network links all regions of the state
- Minimal investment needed to reach major fiber trunk
- Two OC-48 SONET Rings provide strong redundancy
- Connectivity ranging from T-1 to OC-12, ISDN, ATM, xDSL, frame relay, DWDM, SONET, satellite, cable and wireless service
- Ideal physical environment with minimal risk of natural disasters

Transportation

- Two major Interstates: I-94 East/West, I-29 North/South
- Foreign trade zone
- Two Canada-Mexico Trade Corridors
 - › Fourth largest port of entry for Canadian goods by truck and rail
 - › 24-hour ports of entry along the North Dakota-Canadian border
 - › Extensive cargo rail by Burlington Northern Santa Fe and Canadian Pacific
 - BNSF – main line route including Seattle to Chicago
 - CP – main line route including Vancouver to Chicago
 - › Four international airports – Bismarck, Fargo, Grand Forks and Minot
 - › Four additional commercial airports – Devils Lake, Dickinson, Jamestown and Williston

EDUCATION, WORKFORCE & QUALITY OF LIFE ADVANTAGES

Primary/Secondary

- 10 to 1 student to teacher ratio - June 2010
- North Dakota's average ACT score is 21.5 which is above the national average of 21.1

Post Secondary

- #3 in college continuation rate for high school graduates – 2006
- #3 in college participation rates for 19 year olds – 2007
- Nineteen college and university campuses, including 2 major research universities

Workforce Proficiency

- Right-to-work state – Union membership less than 10%
- 6.7% average annual turnover rate for private business 2nd Quarter 2008 – compared to industry standard of 35-30%
- Low absenteeism rate

Quality of Life

- North Dakota has been ranked in the top 5 for safest states for the last 16 years (Morgan Quinto Press)
- Clean air, abundant recreational opportunities, quality education & family-friendly

